

Technical and Bibliographic Notes/Notes techniques et bibliographiques

The Institute has attempted to obtain the best original copy available for filming. Features of this copy which may be bibliographically unique, which may alter any of the images in the reproduction, or which may significantly change the usual method of filming, are checked below.

L'Institut a microfilmé le meilleur exemplaire qu'il lui a été possible de se procurer. Les détails de cet exemplaire qui sont peut-être uniques du point de vue bibliographique, qui peuvent modifier une image reproduite, ou qui peuvent exiger une modification dans la méthode normale de filmage sont indiqués ci-dessous.

- ☐ Coloured covers/
Couverture de couleur
- ☐ Covers damaged/
Couverture endommagée
- ☐ Covers restored and/or laminated/
Couverture restaurée et/ou pelliculée
- ☐ Cover title missing/
Le titre de couverture manque
- ☐ Coloured maps/
Cartes géographiques en couleur
- ☐ Coloured ink (i.e. other than blue or black)/
Encre de couleur (i.e. autre que bleue ou noire)
- ☐ Coloured plates and/or illustrations/
Planches et/ou illustrations en couleur
- ☐ Bound with other material/
Relié avec d'autres documents
- ☒ Tight binding may cause shadows or distortion
along interior margin/
La reliure serrée peut causer de l'ombre ou de la
distortion le long de la marge intérieure
- ☐ Blank leaves added during restoration may
appear within the text. Whenever possible, these
have been omitted from filming/
Il se peut que certaines pages blanches ajoutées
lors d'une restauration apparaissent dans le texte,
mais, lorsque cela était possible, ces pages n'ont
pas été filmées.
- ☐ Additional comments:/
Commentaires supplémentaires:

- ☐ Coloured pages/
Pages de couleur
- ☐ Pages damaged/
Pages endommagées
- ☐ Pages restored and/or laminated/
Pages restaurées et/ou pelliculées
- ☐ Pages discoloured, stained or foxed/
Pages décolorées, tachetées ou piquées
- ☐ Pages detached/
Pages détachées
- ☐ Showthrough/
Transparence
- ☐ Quality of print varies/
Qualité inégale de l'impression
- ☐ Includes supplementary material/
Comprend du matériel supplémentaire
- ☐ Only edition available/
Seule édition disponible
- ☐ Pages wholly or partially obscured by errata
slips, tissues, etc., have been refilmed to
ensure the best possible image/
Les pages totalement ou partiellement
obscurcies par un feuillet d'errata, une pelure,
etc., ont été filmées à nouveau de façon à
obtenir la meilleure image possible.

This item is filmed at the reduction ratio checked below/
Ce document est filmé au taux de réduction indiqué ci-dessous.

10X	14X	18X	22X	26X	30X
☐	☐	☐	☒	☐	☐
12X	16X	20X	24X	28X	32X

SP

L

Wha

THE

A Cri

o

The
Hon. 's
Richard
mons
stricte

Hon.
quentl
hon. g
evenin
casion
greater
expres
(Hear,
speech
clusive
try has
of loss
trade,
ing as
It app
though
order t
more p
remen
the sam
ads of
I cann
gentle
gan of

UNRESTRICTED RECIPROCITY.

SPEECH BY HON. THOMAS WHITE, M.P.

Delivered in the House of Commons, on Wednesday Evening, March 14th.

What It Means and What It Would Involve.

THE LARGER MARKET IDEA.

A Critical Analysis of the Export Trade of Canada to the United States.

The following is the verbatim report of Hon. Thomas White's speech in reply to Sir Richard Cartwright in the House of Commons on Wednesday night during the unrestricted reciprocity debate:—

Hon. Mr. White—Mr. Speaker, I have frequently listened to the greater part of the hon. gentleman's speech delivered here this evening, but I confess that on no former occasion have I heard him deliver it with greater weakness, if he will allow me that expression, than he has done to-night. (Hear, hear.) During the earlier part of his speech the hon. gentleman dwelt almost exclusively upon the statement that this country has not been progressing. The old story of loss of population, the old story of loss of trade, the old story that we are not progressing as we ought, was repeated *ad nauseam*. It appeared so well to please him that, although he dropped it from time to time in order to go on with the subject which is more particularly before us, the house will remember that he invariably fell back upon the same old statement, the same old Jeremiads of ruin and decay for this country. Sir, I cannot do better than give to the hon. gentleman the advice which the leading organ of his own party gave him and gave

to this country—if, indeed, the *Toronto Globe* may now be called the leading organ of hon. gentlemen opposite. Only a few weeks ago the *Globe* said:

"Distrust all figures professing to show that Canada has retrograded instead of advancing. Eschew association with the teachers of despair. Old men who, with worn-out powers, assert that national suicide is the only course to national salvation, may be excused by considerations of their senility, but young men who echo their doleful refrain, can never seem otherwise than contemptible."

(Cheers.) These, Mr. Speaker, are not the words of a Tory newspaper, or of a Tory public man; they are the advice given to the young men of the country by the leading organ of hon. gentlemen opposite, and I commend them as the best possible answer to the statements that we have heard to-night. (Cheers.) I think we have a right to complain, also, that the hon. gentleman was not as distinct as could be desired in his statement of what his resolution really means—whether it is commercial union that we are to have, or whether it is unrestricted reciprocity, which would leave us free to deal with other nations as we thought proper. That was not very definitely stated by the hon. gentleman, unless, indeed, we take one sentence in which he suggested that the position taken by Mr. Hitt, a member of Congress, embodied principles which went rather farther than he would desire to go. But, sir, what is it that has led to the sudden discovery of this panacea for the ills of Canada? What is it that has brought us, in this session of Parliament, to discuss a question of this kind as the only course which offers to us any assurance for the future well-being of Canada? We can remember that, although the question of a Reciprocity Treaty, is an old one, so far as hon. gentlemen opposite are concerned, and so far as any public man in Canada, having the responsibility of a public man upon him,

is concerned, until the last few months, we never heard of this question of Commercial Union, or the question of Unrestricted Reciprocity, as a remedy for the ills which are alleged to exist. Sir, all the statements made by the hon. gentleman against the policy of the government were made over and over again before the last elections—aye, I may say that before the elections which preceded the last, all these statements were made. When we came to the last election, the two parties faced the electorate, nominally at any rate upon distinct issues.

MR. BLAKE'S PROMISE.

The late leader of the Liberal party went through Ontario and delivered speeches which, for elaborateness of preparation, for devotion to detail, have, perhaps, never been exceeded by the speeches delivered by any other public man in Canada. They form a volume which I hold in my hand. And yet, Mr. Speaker, what will hon. gentlemen say when I tell them that in the whole of these speeches, the only reference to reciprocity is embodied in two single lines of type delivered, the first at Welland and next, if I mistake not, at Malvern. (Hear, hear.) The hon. gentlemen pledged themselves, through their late leader, to a particular course in the last elections. I have the pledges here, and it is worth while reading them, delivered by their leader. He delivered them, remember, not as an ordinary citizen, but as the leader of the party, speaking for the party, declaring himself to be authorized to speak for the party, and what did he say?

"I spoke in 1882, I spoke a few weeks ago in Toronto, I speak now as the leader of the party, expounding on all questions of principle, not merely my individual views, but the common sense, as I understand it, of the great body of the party, the general lines upon which the party, as a whole would act, if entrusted, as they will soon be, with power."

(Hear, hear.) They were not entrusted with power, and they are now acting upon different principles from those which they pledged themselves to the people of this country they would act upon if they were entrusted with power. He went on to say:

"What I have said, and am about to say, on all questions of principle, you may then take as authoritative, to whatever extent a leader has authority, and so far from there being divergence, I can assure you that there is, in my belief, a general concurrence of sentiment between us, including Sir Richard Cartwright, whom I name only because our adversaries delight to represent him as holding other views."

(Hear, hear.) Then, sir, what more did he say?

"We have no longer a large surplus to dispose of. We have a large deficit and a greatly increased scale of expenditure to meet, and it is clearer than ever that a very high scale of taxation must be retained, and that manufacturers have nothing to fear. I then declare that any readjustment should be effected with due regard to the legitimate interests of all concerned. In that phrase, 'all concerned,' I hope no one will object to my including, as I do, the general public. In any readjustment I maintain that we should look especially to such reduction of expenditures as may allow of a reduction of taxation, to the lightening of sectional taxes; to the lightening of taxation upon the prime necessities of life, and upon the raw material of manufacture, to a more equitable arrangement of the taxes which now bear unfairly upon the poor as compared with the rich, to a taxation of luxuries just so high as will not thwart our object by greatly checking consumption, to the curbing of monopolies of production in cases where, by combination or otherwise, the tariff allows an undue and exorbitant profit to be exacted from consumers, and to the effort—a most important point—to promote reciprocal trade with our neighbors to the south."

And that, Mr. Speaker, is the only reference in this whole book setting forth the policy of the Liberal party—that is the only reference whatever to the question of reciprocity. I notice that hon. gentlemen opposite smile; I notice that they think they have something because the term reciprocity is used here; but how do they reconcile this principle of reciprocity, if it be unrestricted reciprocity that was meant, with the promise that the manufacturers have nothing to fear, with the promise that the tariff cannot be materially reduced, with the promise that our large expenditures will require a high tariff to be maintained, while their policy to-day as announced is that the tariff is to be abolished altogether, in so far as the trade between our neighbors, our great competitors, and ourselves is concerned. (Cheers.) I find the hon. gentleman (Mr. Blake) went on further to say:

"No man, I care not how convinced an advocate of absolutely free trade for Canada he may be, has yet suggested—no man, I believe, can suggest—a practicable plan whereby our great revenue needs can be met otherwise than by the continued imposition of very high duties on goods similar to those we make, or can make, within our bounds, or on the raw materials. I invite the most ardent Free trader in public life to present a plausible solution of this problem; and I contend that he is bound to do so before he talks of free trade as practicable in Canada. I have not believed it soluble in my day; and any chance of its solubility, if any chance there were, has been destroyed by the vast increase of our yearly charge, and by the other conditions which have been created. The thing is removed from the domain of practical politics."

(Hear, hear.) And yet within a little over one year from the day when that speech was delivered and that pledge made as indicating what would be the policy of hon. gentlemen opposite if their anticipations had been realised and they had occupied these treasury benches, we have a three and-a-half hours' speech delivered in this house for the purpose of showing us that free trade is not only practical but is absolutely essential if this country is to escape the ruin which threatens it. (Cheers.) I might go on quoting other passages from that speech, but I will not detain the house longer. I might point out where the hon. gentleman declared that the idea of direct taxation was absurd, was not even to be thought of, and could not be thought of in connection with our affairs in Canada; but I have read enough to show that in assuming the position which hon. gentlemen opposite have taken to-night, they have entirely changed their position from that which they occupied when appealing to the people a little over a year ago, and I think they are bound to show that our condition has so changed since that time as to justify that remarkable change of position on their part.

THE CHANGE OF FRONT.

(Cheers.) One might speculate, but of course we will not do it, that it is not so much the interests of the country as the necessities of the party that have caused this change. They had been taunted by their own friends, as well as by their political opponents, as being a party without a policy. They had been taunted with being a party of negotiations without any positive idea to submit for the acceptance of the people, and as they were beaten at two elections and as bye-election after bye-election gave the same record and the people showed their confidence in the policy represented by this Government, honorable gentlemen opposite have made up their minds that something new is required, and they submit a policy, not a policy which this Government could carry out if they would, not a policy which those hon. gentlemen could carry out if they were on this side of the house, but a policy dependent upon the action of a foreign Government without whose consent nothing could be done. (Hear, hear.) So that after nearly ten years of opposition, after ten years of groping after something through which they might appeal to the people, hon. gentlemen have come down to a policy which is a safe one for

them, because they could not adopt it if they were on the Treasury benches, and the adoption of which depends entirely on the action of a foreign Government. They have come with a policy for the United States for the acceptance of the people of Canada. (Hear, hear.) That is the position in which we find hon. gentlemen to-day. Sir,

THIS QUESTION OF RECIPROCITY

is an old question. Both political parties in Canada have been in favor of it—

Some hon. members.—(Hear, hear.)

Mr. White (Cardwell). Both parties have been in favor of reciprocal trade in the natural productions of this country; both parties have been in favor of reciprocal trade, in so far as that reciprocal trade can be carried out having regard to the great industrial interests of this country. What has been the history of negotiations in the direction of reciprocity? The treaty of 1854, commonly known as the Elgin Treaty, was, if I mistake not, negotiated under the direction of the Liberal Conservative party, the McNabb-Morin Government being in power at that time. The treaty was denounced at the very first moment it could be denounced by the United States. From that day to this, this Government, both parties I may say in Canada, have been ready to enter into negotiations for a fair interchange of the commodities of the two countries. In 1874, the late Government sent Mr. George Brown to Washington, and he and Mr. Fish drafted a treaty, which was going to be, in the opinion of everyone who favored it, of great advantage to Canada. What was the fate of it? It dealt not only with the natural productions of the country, but also with a considerable line of manufactures. It went even further than that: it ensured the Americans the use of our great public works. It went further than that: It obliged the people of Canada to build a new canal, commonly known as the Caughnawaga canal, which would give easy access for the lumber of the west to the American market. And yet, in spite of the great advantages to be given to the United States by that treaty, in spite of the fact that it went as far as the people of this country could possibly go in negotiations of the kind, what was the result of it? Why, it was simply hung up in the Senate, denied even the courtesy of a reference to the ordinary committee, and from that day to this all efforts to

get a reciprocity treaty with the United States have failed. What was the position of the hon. gentleman at that time? Why, I find that the hon. gentleman who has addressed the house at such length to-night, when addressing a meeting in Charlottetown, dealt with this subject. He said:

"They say we must have reciprocity, and we cannot live without it as a Dominion. I take exception to that statement. While reciprocity is desirable, we are not in such a state of subjection to the United States that we cannot live without it. We have men and ships and 'will carry the war into Africa.' We will find new markets for ourselves, and cut them out. There is nothing better calculated to prevent the bringing about of reciprocity than to tell the Americans we cannot live without them. It would induce them to believe that they had the power to drive us to their own terms."

(Hear, hear). I shall not make other quotations, as I might make them, to show that this was the current of public opinion in this country at that time. I do not quote this with the object of putting the hon. gentleman in contradiction to himself. I quote it as I might quote extracts from the leading organ of that party at the same time, to show what was the current of public opinion then, which was that, having made every effort that we possibly could make to secure reciprocal free trade with our friends on the other side of the line, so far as we could do it consistently with the interests and welfare, and revenue requirement of this country, we ought to go on and develop our own interests and our own destiny in our own fashion. (Cheers). Now what did this Government do? Under the act of 1879—an act which embodied the mandate of the people at that time, commonly known as the National Policy act, we incorporated a clause which gave to the Governor-General-in-council the power practically of entering into a reciprocal treaty for the free interchange of products between this country and the United States. That act is on the statute book to-day, and it remains there an authority to the Government, whenever the United States will show any disposition to meet us, to enter into freer trade relations with them in so far as we can do. I think I may fairly say, therefore, that our record in the past, at any rate, is such that the people of Canada can say to our friends on the other side of the line: "We are ready to consider the question with you whenever you shall signify your decision for such consideration; we are ready to consider with you the best

means of promoting the free interchange of such products in this country as we can exchange with you, having regard to our great interests," and until the people of the United States are so ready, the history of the past clearly shows that the true policy of Canada is to act upon the principle laid down by the hon. gentleman himself in the extract which I have just quoted, that is, to work out our own destiny in our own way. (Cheers.)

HISTORY OF UNRESTRICTED RECIPROCITY.

This question, however, of commercial union, or of unrestricted reciprocity—the latter term being apparently a modification of the former principle—is not altogether a new one. In 1871 I had myself the privilege of being present at a meeting of the National Board of Trade of the United States, in the city of St. Louis, and on that occasion the chairman of the Canadian delegation, the late Hon. John Young, consented to a scheme for unrestricted reciprocity or commercial union. But there is this fact to be remembered in connection with that: Mr. Young, as everyone knows, was in favor of the separation of this country from the mother country, in order that we might enter into such an arrangement. He took the ground at St. Louis, as he did in the city of Montreal and in the press when he discussed the question, that without independence we could not enter into arrangements of this kind, and that therefore as precedent to such an arrangement and for the purpose of bringing about such arrangement the true interests of Canada lay in her separation from the mother country. Did any public man in Canada, having the responsibility of a public man upon him, sanction that view at that time? No. Although Mr. Young was a prominent Liberal, although he was a strong supporter of the Liberal party, although he was a man of great influence who had been a Minister of the Crown, the *Toronto Globe*, then edited by the late Hon. Geo. Brown, denounced him and denounced the proposition as utterly opposed to the best interests of this country and as impossible of fulfilment except on terms of annexation itself. (Cheers.) That was the position taken at that time in connection with this question. What is meant by this

QUESTION OF COMMERCIAL UNION?

I take the opinion of those who may fairly be assumed to be at any rate the best authorities upon that subject. We would

change of
we can ex-
our great
e of the
ory of the
policy of
iple laid
self in the
that is, to
own way.

CITY.

Commercial
city—the
modification
together a
privilege
g of the
United
and on that
Canadian dele-
consented
iprocity or
this fact to
that: Mr.
s in favor
ntry from
order that
an ar-
ground at
city of
discussed
ndence we
ts of this
cedent to
purpose of
at the true
separation
any public
nsibility of
that view
Mr. Young
he was a
party, al-
equence who
a, the Tor-
Hon. Geo.
nounced the
to the best
impossible
annexation
position
with this

N ?

may fairly
the best au-
e would

never have heard of it, apparently so at any rate, had not Mr. Erastus Wiman, a gentleman of great influence and of great ability in the United States, a Canadian by birth and I believe still a Canadian by allegiance, taken it into his head, having plenty of leisure on his hands, to come to Canada and carve out a policy for the people of this country. (Hear, hear.) He did the constituency of Cardwell, which I have the honor to represent here, the kindness to make his debut on that question there, and from that day to this he has, in the press and public meetings, said a great deal upon this subject, so that he has come to be recognised, if not the leader of the Liberal party at least the leader of this particular policy of the Liberal party. (Hear, hear.) It seems to me that in any discussion of the question in this country we should know precisely what is contemplated by this scheme. Now what does Mr. Wiman say? Writing to the American press on this subject he says:

"That by the operation of a uniform continental tariff equal in height to that always prevailing in the United States, the goods and merchandise of all foreign countries, including Great Britain, would be discriminated against in favor of American manufactures."

Then, sir, in a letter which he addressed to the *Mail*, or rather in a speech which he delivered in Detroit and reported in the *Mail*, he said:

"That as against all the rest of the world the same rates of duty should be collected by Canada as are now levied by the United States, while between those two countries of North America the customs line should be completely obliterated. In other words, the proposition is that around the whole continent of North America the customs lines should exist and have precisely a uniform height."

Now, what does that involve? I take a leading newspaper of the Western States, and the *Chicago Times*, I think, may be considered the leading newspaper of the Western States, as giving a statement of what that really involves. Here is what the *Times* says:

"This proposition implies a complete surrender by the Dominion Parliament to the American Congress of all control of the principal source of the Dominion revenue, the tariff. Whatever it may please the American Congress to do regarding the tariff the Dominion must forthwith accept. The people of the Dominion would have neither a vote nor a voice in Washington under the proposed Commercial Union."

Then, Sir, the same paper says further:—

"Not only would our Congress prescribe and change at pleasure the taxes exacted from the people of Canada, but our executive officers and our courts would make all the rulings

and decisions affecting rates for the Dominion as well as for the United States."

Again I will quote another extract from the same paper:—

"If the Dominion will take our tariff laws as they are, and as Congress may choose to modify them, and as our Treasury department and courts may construe them, well and good. This country may agree to such an arrangement as that, but it will never agree to accept the Dominion laws, or to put the whole business of tariff-making out of Congress or into the hands of some joint high commission. Unless, therefore, the Dominion is prepared to make a complete and unconditional surrender of all control over its own tariff, and accept whatever tariff our own Congress may choose to enact from time to time, the scheme of Commercial Union, in the sense in which that phrase is used, is entirely out of the question."

But, Mr. Speaker, I have an extract from a speech by a gentleman whose opinion on this subject is, perhaps, to us in this house, of still more importance, because he speaks with the responsibility of a Canadian public man and a leading and distinguished member of his own party. I refer to the hon. member for North Norfolk (Mr. Charlton) who, at Jarvis, during the Haldimand election, delivered a speech in which he declared for commercial union. What the hon. gentleman said I will admit differs in some respects from the suggestion or hint of the hon. gentleman who has spoken to us to-night; but I think we have a right to assume that a speech delivered so recently and by a gentleman occupying so distinguished a position as the hon. member for North Norfolk, must be held to embody, at any rate, the views of a considerable section of his party. He said:

"It was simply a customs union between two or more independent states, where a common tariff and excise law were adopted; and the revenue collected, after deducting expenses of collection, was divided among the participants upon the basis of population, or any other basis that might be agreed upon, while all trade restrictions between them were removed. The application of the principle between Canada and the United States would require that the two countries should have the same excise rates and the same tariff upon imports from all other countries; that the revenue thus collected in both countries should be divided upon conditions hereafter to be arranged; that the customs line between the two countries, from ocean to ocean, should be removed, and that trade between Canada and the States should be in every respect as free and untrammelled as trade between the different states of the American Union was at the present moment."

(Hear, hear.) That is a statement of the case as submitted by the hon. member for North Norfolk, and I am bound to say—and I think this honorable house will agree with—

me—that in directness and clearness of statement it is far preferable to the speech to which we have listened to-night from the hon. member for South Oxford. (Hear, hear.) Then, sir, we have a still more important authority in this case—the authority on whose support and assistance hon. gentlemen depend for the realization of their hopes. What is it that is proposed in Congress to-day? Mr. Butterworth introduced a bill, and that bill was submitted to the proper committee of the House of Representatives, but although we are not in the secrets of that committee, although we do not know what was done there or how it happened, what we do know is that Mr. Hitt afterwards introduced a resolution to the House of Representatives which was submitted to the same committee, and that Mr. Butterworth telegraphed a practical abandonment of his own scheme and the adoption of the scheme embodied in the resolution of Mr. Hitt. (Hear, hear.) I have not the resolution itself, but here is a Washington despatch giving the substance of it:—

“WASHINGTON, 5th March.

“In the House of Representatives to-day, Congressman Hitt introduced a joint resolution for the promotion of commercial union with Canada. It was referred to the Committee on Foreign Relations. It provides that when it shall be duly certified to the President that the Government of the Dominion of Canada has declared a desire to establish commercial union with the United States, having a uniform revenue system, like internal taxes to be collected and like import duties to be imposed on articles brought into either country from other nations, and no duties upon trade between the United States and Canada, he shall appoint three commissioners to meet those who may be likewise designated to represent the Government of Canada to prepare a plan for the assimilation of the import duties and internal revenue taxes of the two countries, and an equitable division of receipts under commercial union, and said commissioners shall report to the President, who shall lay the report before Congress.”

Now, that is the only proposal before the Congress of the United States to-day, and I think we have a right therefore to ask hon. gentlemen whether they are prepared to accept that proposal, or if they are not, why they should, in view of the past history of this question, trifle with the time of Parliament in discussing this matter. (Hear, hear.) Now, sir, this does not mean unrestricted reciprocity, because Mr. Hitt, in a letter to the press says:—

“The tariff would have to be the same in Canada and the United States, or there would be infinite fraud and disturbance of trade.”

So that you will see that upon that question Mr. Hitt speaks with no uncertain sound, and

that the only proposition which comes from anybody in the United States is a proposition for a union or a reciprocity different, I take it, from that which is embodied in this resolution, although the same as that which, up to the time the hon. member for West Ontario (Mr. Edgar), wrote his letter to Mr. Wiman, was accepted by hon. gentlemen opposite, including the hon. member for South Oxford and the hon. member for North Norfolk. (Cheers.) The change came suddenly. The hon. member for West Ontario—the power behind the throne under the late leader, and I assume the power behind the throne under the present leader as well, if we may judge of the wonderful effect of that letter—wrote to Mr. Wiman, to say that the people of Canada were so enamored of the term “custom houses” that they loved the existence of the Custom house so much, that the proposal which suggested the abolition of the custom houses along the line would not likely meet with general support in Canada; and, therefore, he suggested that we should have all the advantages of Commercial Union plus the expense of keeping up the line of custom houses between the two countries; and that is the proposal we have here. (Cheers.)

WHAT IS INVOLVED IN THE QUESTION.

Now, Mr. Speaker, what does this proposition which is submitted to us involve? In the first place, I take it that it involves, as I think I have shown, similar Customs duties to those imposed by the United States against all other countries in the world, except the United States, and I take it, notwithstanding what the hon. gentleman has said, that that practically means separation from the mother country. Now, I am not going to raise the loyalty cry in any sense whatever. I accept the suggestion made with the honorable gentleman that we should deal with this question from the standpoint of our own interests, that we should deal with it as it affects Canada; and I do not feel disposed, therefore, at this time to raise the general question of loyalty to the mother country, and the danger and ingratitude involved in the separation from the mother country. But I think it is important, when we are discussing the question, that the facts should be stated, and let the people draw their own inference and their conclusion from those facts. (Hear.) For anyone seriously to pretend that this country should remain connected with the mother country after adopting a principle by

which we became commercially a portion of a foreign nation and charged against the mother country the same duties that foreign nation charged, seems to me to ask people to believe that which no reasonable person can very well believe. (Hear, hear.) So that we must take the proposition as meaning separation from the mother country. I doubt very much whether a high spirited people like the people of Canada would be mean enough to accept a continuance of the connection under such conditions as would be involved in that arrangement, even if the mother country were generous enough to consent to it. (Cheers.) Then, Sir, it

AFFECTS OUR FINANCES SERIOUSLY

and I think you will agree with me, that, having regard to the fact that the hon. member who has addressed us at so great length to-night is an ex-Finance Minister, whose speciality it is to deal with finance, the house has reason to complain that upon that branch of the subject he was not very distinct nor very clear. Now, Sir, let us look for a moment at how we stand financially to-day. Our expenditure for the fiscal year of 1887 amounted to \$35,658,000. Of this, The charges on debt amounted to \$ 9,970,671
Subsidies to provinces..... 4,189,341
Sinking fund..... 1,592,952
Collection of revenue..... 8,375,926

Total..... \$ 24,108,890

Now, I think, the house will agree with me that these are charges that no commercial union, no unrestricted reciprocity, would enable us to escape. (Hear, hear.) They are the fixed charges of the country, and cannot be got rid of in any way whatever. Then we have the charges for other expenses, a little over \$11 500,000. How are these met? Civil government, \$1,211,850. It may be, if hon. gentlemen opposite were on this side, they might possibly take a few hundred dollars off that, or they might not. I think it will be found on examination, especially if you look at the estimates, for instance, of this year, where hardly an increase has taken place except the ordinary statutory increase, that the expenditure under this head cannot very well be reduced. Administration of justice, \$675,114. That is an item which cannot be reduced. Fisheries, the protection and bounties to fishermen, \$415,443. I do not know whether hon. gentlemen opposite will abandon protection to the fisheries or the system of bounties to fishermen; but unless they do so that item cannot be reduced. Then there is the expenditure

on the Indians in the Northwest territories, \$1,201,301, and in view of the fact that the only complaint we have from the hon. gentlemen opposite is that we permit the Indians to starve, that we do not give them enough food, and therefore do not expend enough on them, I do not think that is an item that can very well be reduced. Legislation costs us \$977,302. That cannot be reduced. Militia, \$1,193,692; lighthouse and coast service, \$512,811; Mounted police, \$781,644; penitentiaries, \$311,267; and public works rather under \$2,133,315—or in all \$9,395,769. And I think I may fairly say that by no process of economy, even if the hon. gentlemen, with their cheese-paring methods, were on this side of the house, could these amounts be materially reduced, or at any rate so reduced as in the slightest degree to affect the general question of the application of this policy for carrying on the Government of the country. (Hear, hear.) How do we meet these expenses to-day? We have a revenue altogether of \$35,754,993, of which the customs yielded \$21,377,800, leaving a balance from other sources of \$13,376,193. On the imports we get from the United States to-day the duty amounts to \$7,299,591, so that we have a revenue, from Customs duties on imports from other countries, of \$15,079,209, and adding to this the revenue from other sources, which, as I have stated, amounts to a little over \$13,250,000, we have a total of \$28,455,402, irrespective of the duties on American imports. The deficit, therefore, if we gave up the revenue from the imports from the United States, which we would have, on our present expenditure and present general receipts, would amount to very nearly \$7,250,000. That, I take it, must be made up by direct taxation. It is quite clear, as I pointed out, that we cannot, if we are to carry on the government of the country and proceed with the public improvements necessary to develop the country, do with a less expenditure than that which we have to-day, so that if we give up this amount that we receive from customs duties on the imports from the United States, we will have the large deficit to meet of \$7,300,000. But that is not all.

THE EFFECT ON OUR COMMERCE.

That is assuming that all our imports from other countries would come in as they come in to-day. That is assuming we would still have English goods coming by the St. Lawrence or landing at Boston or New York and coming here in bond. Can anyone pre-

tend to say that would be the result? Immediately we would find the overwhelming proportion of the goods we now receive from Great Britain would be displaced by goods of a similar character manufactured in the United States, and we would find, not that we lost simply the \$7,300,000 which we now derive from customs duty on imports from the United States, but also at least one-half of the customs duties that we receive from goods imported from England. (Hear, hear.) I venture to say it would be very much more than one-half, and that practically we would surrender the whole of our customs revenue. But that is not all. We would find also that the large importing trade of Canada would be transferred from the St. Lawrence, where a great part of it is done to-day, to American ports. We would actually by this process destroy the great trade by the St. Lawrence, which, I believe, both sides in this house desire to see built up. Gentlemen may say that if our duties were somewhat lower than those of the United States that British goods for consumption in the Western states would come by the St. Lawrence. I do not think this hope could be realized. Why should ships come by the St. Lawrence, why should goods take that route and pay us large duties, and then again pay the American duties when entering the Western states, when they could go to the American ports, pay duties there and be scattered through the United States, while we would receive goods of American manufacture in their place? There would be really no motive for these goods coming by the St. Lawrence at all, and thus we would destroy not only the manufacturing industries of the country, but another trade as well, which is too seldom thought of when we are dealing with the question of the trade interests of the country, and that is the great distributing trade of the country. (Cheers.) You would find, Sir, American merchants in their great cities all along the border becoming the distributors to the retailers of the Dominion, thus verifying the statement made by prominent Americans in support of commercial union, that the effect would be to place American goods direct from the American warehouse into the retail stores all over the Dominion. A great injury would thus be done to the importing and distributing trade of Canada.

HOW THE REVENUE IS TO BE MADE UP.

How are we going to make up this revenue? The hon. gentleman does not seem

to feel very much alarmed at direct taxation. He thinks direct taxation is more readily collected and costs less, and is more equitable in its distribution than the system of taxation which we now have by means of customs duties. I will not burden this debate by a general discussion of that question, although I think I could show, and that without much difficulty, that the people who would suffer relatively the most from the system of direct taxation are those very poor people in whom the hon. gentleman affects to be so much interested. What did we see a short time ago in the city of Toronto when the publication was made of the assessed incomes of a number of the wealthy people of that city? We saw that the poor man, with his income of \$500 or \$600 a year, was assessed to the full amount, but in regard to the millionaire with his \$40,000 or \$50,000 a year, no assessor would think of putting him down for that, and he was put at \$5,000 or \$6,000, or perhaps \$10,000 a year. (Cheers.) And, as with incomes, so with real property. If you go into any of our large cities you will find that the poor man's house can be easily assessed at its full value; but, if you take the rich man's house, which has cost him \$50,000 or \$100,000, with its almost park-like lawns around it, you will find that it is assessed at one-third or one-fourth of its value, for no assessor would think of putting it down at its full value. (Hear, hear.) That is known to every one who has watched the record of the assessment rolls. So this system of direct taxation, instead of being one which would relieve the poor of an excessive burden, would really impose upon the poor far more than their proper proportion of taxation. Under the present system the poor man can get on practically without any taxation at all. Our taxes are largely upon luxuries. It is the wealthy, under the present system, who pay the large proportion, because it is upon the expensive goods that the larger proportion of the taxation of the country is levied, while a poor man can sit down and look over what he eats and what he wears, and see what he pays for it, and can ascertain the fact for his comfort that the taxation he pays is practically nil in this happy country of ours. (Cheers.) Nor can we adopt the principle of excise duties, in relation to which, I think, if I read the resolution of the hon. gentleman aright, he proposes a special exception. We cannot put on extra duties of excise for this reason,

that there is a limit beyond which you cannot go in excise duties. You must have regard, in the imposition of these duties, particularly in this country where for between three and four thousand miles our territory adjoins that of our neighbors on the other side, to the duties imposed by them and the general cost of the article in order to know what amount of excise duty is collectable under any system you may adopt, and therefore we are restricted even in the matter of excise duties. We would have to

ADOPT DIRECT TAXATION.

No other means could possibly be adopted. (Cheers.) Of course, there is one way in which we might reduce our expenditures to some extent. We spend to-day some four million dollars on provincial subsidies. The hon. gentleman opposite referred to the action of the Quebec conference, the members of which, in a lapse of excessive candor, he described as his friends, correcting himself immediately afterwards—(hear, hear)—and he referred to the resolutions passed by that conference as if they were the embodiment of the wisdom of this country, as I believe they are to be the embodiment of the policy of hon. gentlemen opposite. But they do not contemplate a reduction in the matter of subsidies. (Hear, hear.) On the contrary, the very thing which will commend them to some of the provinces is that resolution which proposes largely to increase the subsidies. (Cheers.) It is true that the hon. gentleman after speaking of these resolutions as the embodiment of wisdom, said that this commercial union would prevent absolutely an increase of the expenses of the country; but if we are to reduce the expenditure, if we are to resort to direct taxation, I think the people of this country will at once say that it would be little less than absurd that the Dominion Government, the central authority, should impose direct taxation through the machinery of municipal government—because there is hardly any other way in which to do it—in order to distribute a portion of the proceeds back again to the provinces. (Cheers.) I am not going to say whether we ought to do away with Provincial subsidies or not. The hon. gentleman, in a former session of Parliament, did suggest that he believed it would be for the interests of Canada if the Provincial subsidies were done away with altogether. I leave him on that subject to make his account with his hon. friends on that side from the other provinces, and I think he will find

some difficulty in convincing them that that would be a wise system to adopt in Canada. (Cheers.) So you see, by the adoption of this policy, we are to find ourselves reduced to a system of direct taxation by which we are to levy at least \$15,000,000 to make up for the loss in Customs duties which the adoption of this system of so-called unrestricted reciprocity or commercial union would impose upon us. (Hear, hear.) Now,

WHAT IS CANADA TO GAIN

as a return for this sacrifice, because, after all, this is a business matter and ought to be discussed as a business proposition. What are we to gain for this sacrifice? We give up a large portion of our revenue, we sacrifice our distributing trade, we sacrifice or we risk the sacrificing of the manufacturing interests of the country. What are we to get in return for all this? Hon. gentlemen tell us we are to get an enlarged market in the United States. I suppose it is really the enlarged market which is the chief advantage proposed. The market which is to be opened in this country for our friends on the other side is their side of the subject. Our side is that we are to get an enlarged market in the United States. (Hear, hear.) How do we stand in regard to that matter at present? Let us look at our exports to the United States and to Great Britain. Our exports to the United States amount to \$32,273,033, and to Great Britain they amount to \$38,714,331. Here are the figures as presented by the Canadian returns:

	To United States.	To Great Britain.
Produce of		
The mine.....	\$3,085,431	\$ 477,732
Fisheries.....	2,717,509	1,704,100
Forest.....	9,353,506	9,445,491
Animals.....	7,291,369	16,315,474
Agriculture.....	7,966,248	9,438,408
Manufactures.....	1,289,052	1,270,162
Miscellaneous.....	569,918	62,884
Totals.....	\$32,273,033	\$38,714,331

I will deal simply with the exports to United States, and if we examine the figures we will find this result: Of the \$9,353,506 worth of the products of the forest, \$1,600,000 enters free under the present system, and the duty on the remaining portion is proposed to be remitted by the Tariff bill now before Congress. (Hear, hear.) Of the exports of the mine, coal amounts to about \$1,252,867; gold quartz to \$1,017,401; gypsum crude to \$165,497; copper ore, \$181,000; iron ore, \$71,930; stone and marble, \$69,300; making the total of \$2,754,000. Coal, as the hon. gentlemen know, over a million dol-

lars worth of it, in fact nearly the whole export of coal to the United States, goes from the coal fields of Vancouver Island to the markets of the United States on the Pacific coast, chiefly to San Francisco. Now, the question of duty on that might be an important matter, but I am inclined to think in that case we may accept the general view which the hon. gentlemen opposite in former controversies on the National Policy have impressed on us, namely, that it is the consumer who pays the duty. Of the fisheries, \$2,717,000, no less than \$1,130,000 worth is already admitted free, so that the advantages of a free market, undoubtedly very great, may be, after all, over-estimated. Everyone who has watched the progress of the fisheries and the fish trade during the last two years in our Maritime provinces knows that there has never been—I think I am within the mark in saying—there has never been in the history of the Maritime provinces more profitable fishing than that which occurred during the last year or two. (Cheers.) Now we find in regard to the fisheries that new markets are being opened up all the time. Here, for instance, is what the Halifax Chamber of Commerce said upon this subject on the 7th of March, only a few days ago:—

“Now that we have been for a time in sole possession of our fisheries we are realizing more than ever their very great value. The product of our fisheries is stated at about twenty millions of dollars. Of this great industry Nova Scotia is credited with at least one-half of the whole. While the available consuming population is rapidly increasing, a single square mile cannot be added to these productive grounds, the product of which must, in the very nature of things, continue to increase in value. Their accessibility, productiveness and extent place them before us as the most valuable in the world. The markets of the world are wide enough if properly cultivated for all we catch for export, with an ever-increasing demand. Our merchants seem fairly alive to the value of these more distant markets, and each year ought to find them more capable of utilizing them. Let us then be alive to the great value of this source of wealth and employment, quite satisfied, while in full possession of our own, to allow our neighbors across the line the full possession of their own, and get ready, should they come to a just and equitable view of the whole premises, to meet them in a reciprocity treaty of friendly commerce worthy of the two most advanced nations of the world, and members at the same time of one great family.”

Now, sir, you will see that the Chamber of Commerce of Halifax, thoroughly familiar with the position of the fisheries, recognize that they have, under the present conditions, opportunities for the profitable employment

of those fisheries, and that they look forward to them as a great source of wealth, and believe that other large markets may be opened for them, even if the United States should, unfortunately, continue the policy which they have adopted in the past. (Hear, hear.) Now, of animals and their produce, we exported \$7,291,369, and of these there were already free of duty \$2,669,628, leaving a little over four millions and a quarter subject to duty; and the exports of the products of the farm reached \$7,400,777. With a view of ascertaining the duty which we pay on our exports I take the American trade returns, because they give the exact amount of duty paid upon the exports of Canada into that country. The imports into the United States from Canada in 1887, which were subject to duty, amounted to \$25,997,113. I have taken the details of twenty-four millions of this sum; the others were very small amounts, and in the hurry I did not go into them. But upon twenty-four millions of exports the duty paid was \$4,715,464, or on the whole exports from Canada into the United States the duty paid was about \$5,000,000. Unrestricted reciprocity would remove that, so that as a mere matter of bargain, as a mere matter of profit and loss, we would receive about five millions, assuming, of course, that the exporter pays the duty, that the producer pays the duty, which is rather strange doctrine, coming from hon. gentlemen opposite, in view of the discussions we have had in the past. (Hear, hear.) But assuming that the producer pays the duty, we save \$5,000,000, and for that we would sacrifice the duties on American goods coming into Canada, amounting to over seven millions and a quarter. (Cheers.) It is a new doctrine that we are to give up seven and a quarter million dollars in order that we may get five millions in return.

THE CONGRESSIONAL BILL.

Now, sir, it is impossible, in the discussion of this question, to avoid some reference to what is going on in the Congress of the United States. A bill, as hon. gentlemen know, has been submitted to Congress, putting on the free list a large number of articles which are now subject to duty. The articles that would be exempt from duty, and the present extent of our exports of those articles are as follows:—

Lumber	\$7,829,811
Flax	298,079
Tin plates	222
Copper ore	188,329

Potatoes	339,183
Beans and peas	556,430
Wool	353,284

In all, \$9,800,000 worth of exports from Canada to the United States, out of the 25,000,000 that are now paying duty, would be exempt from duties if that bill passed. Now, the amount of the duty on the articles which would be remitted if that bill passes, amounts to \$2,778,961. As to the balance of the articles, this fact ought to be remembered, that our trade with the United States is a trade of competition and not a trade of exchange. The articles that would go into the United States are articles which are largely produced by the people of that country. (Hear, hear.) When the hon. gentleman tells us that we are to give up a market of 5,000,000 for a market of 60,000,000 of people, he ought also in fairness, to tell us that we give up our market of 5,000,000 for a market of 60,000,000 which is already so fully occupied that precisely the same articles we export to them, they actually are exporting of their surplus a larger amount to other countries. (Hear, hear.) No one, therefore, can say that this is a market open to us in the sense in which hon. gentlemen use that term. The distinction between competition and exchange in matters of trade cannot be too strongly emphasised. We would thus find that the balance which we would receive, supposing that the bill now before Congress passes, from duty on the balance of the articles, would amount to \$2,780,000, and for the remission of that amount the people of Canada, as I have said, are expected to give up \$7,300,000. (Cheers.) We are in addition to risk the transfer of our import trade to United States ports, we are to introduce discriminating rates against Great Britain and to disturb our entire fiscal and industrial system, for the hon. gentleman himself admits that that would be the immediate result at all events, whatever might be the ultimate result of the adoption of this principle of Unrestricted Reciprocity. (Cheers.) A few words as to the question of this larger market, because that after all is the one argument produced to induce us to accept this principle.

THE EFFECT ON OUR MANUFACTURES.

First as to manufactures. I am relieved considerably from the necessity of dealing with this question by the admission of the hon. member for South Oxford (Sir Richard Cartwright) that the effect would be certainly to injure many of the manufactures of Canada. Is it in the interests of this coun-

try that we should injure those manufactures? What have the manufacturers of this country done that an injury of this kind proposed to be inflicted on them should be treated as a matter not only of no consequence but as a matter that actually should be received with considerable self-complacency by Parliament? (Hear, hear.) True, it is said that the effect would be to induce us to do as is done in the United States, to adopt special classes of manufactures, that with the large market of 65,000,000 to supply instead of 5,000,000, manufacturers would adopt special lines, and having adopted those special lines, on the whole manufacturing interests of this country would be promoted rather than retarded, after, of course the immediate disturbance has passed away, which the hon. gentleman admits is inevitable. But the adoption of those special lines involves a change of our manufactures altogether, the introduction of new machinery, the introduction of new capital; and I will ask any hon. gentleman whether he thinks any man would be so foolish as to invest large capital in Canada for special lines of manufactures in the hope that we might thereby get a market in the United States as well as in Canada, when by simply crossing the line he could secure for all time a market of 60,000,000 at all events, and for the time being the market of Canada as well. (Hear, hear.) Remember that this reciprocity arrangement is not to be—I do not so understand it—a permanent arrangement, I mean an absolutely permanent arrangement. It will be a time treaty, and everyone knows that in a time treaty there will always be the termination of the treaty in view of any man who is proposing to invest a single dollar in industries which may be affected by its conditions. (Hear, hear.) They will look to the past. They will remember that every treaty that we have had with the United States has been denounced the very moment the terms of the treaty permitted it. The hon. member for South Oxford (Sir Richard Cartwright) says we are still to remain an independent community on this continent, that is independent so far as political connection with the United States is concerned, and we are still to remain connected with the mother country. The hon. gentleman disavows any desire that we should separate from the mother country. There is, therefore, still the contingency which constantly must arise between nations of disagreement and rupture, and a rupture of friendly relations, as every-

book forward
th, and be
be opened
es should,
icy which
st. (Hear,
ir produce,
these there
28, leaving
quarter sub-
ne products
With a view
we pay on
a trade re-
ct amount
Canada into
the United
were sub-
997,113. I
-four mil-
were very
I did not
-four mil-
as \$4,715,-
in Canada
paid was
reciprocity
ere matter
of profit
re about
urse, that
e producer
ange docu-
posite,
ve had in
aming that
ve \$5,000,-
erifice the
ning into
illions
new docu-
en and a
that we

discussion
ference to
s of the
gentlemen
ress, put-
er of a-
ty. The
om duty,
ports of

7,829,811
298,079
222
188,329

body knows, ends a treaty; so that the manufacturer who is going to invest his money, having regard to this market of \$5,000,000, would stop to consider the contingency of a disagreement arising between the two nations, stopping trade and leaving him with all his investment he had made for a trade with 65,000,000 of people and only a market of 5,000,000 in which he could employ it. (Hear, hear.) He would go, I say, to the other side of the line if he had the business capacity, the business foresight and business enterprise which manufacturers are generally acknowledged to possess. (Cheers.) So much for the manufacturers and for the wholesale merchants whose distributing trade would be affected by such a treaty.

THE RESULTS TO THE FARMER.

But we are told the farmers are the men who are going to gain largely by this treaty. We are told, and told truthfully, that they are the great majority of the people of Canada, that they are the people whose interests, if we could be shown that they were to be materially affected, ought to govern and supersede all other considerations in connection with the legislation of this Parliament. (Hear, hear.) What is the fact in regard to them? Why not more than 10 per cent. of the entire products of Canada go to the United States. I hear an hon. gentleman behind me, who is thoroughly familiar with this subject, say that not more than 5 per cent. goes to the United States, but I place the quantity at 10 per cent.

Mr. Welsh. More than 20 per cent. goes.

Mr. White (Cardwell). The overwhelming proportion is consumed in Canada. I think I may fairly say that \$360,000,000 worth is consumed in Canada out of some \$400,000,000 worth, the entire production of the farms in Canada. So that the interests of the farmer are to be advanced, not by improving the market for his ten per cent., but by improving the market for the overwhelming quantity he sells at home, by causing an improvement of the home market. (Cheers.) That is the true policy with regard to the interests of the farmer in Canada. How is the home market to be improved? All will admit that it is by building up urban populations that the home market is improved to the farmer. Has that been going on during the last few years? Look at the city of Toronto. The hon. gentleman says one or two of our towns have made progress. I say that all the important towns of Canada have made progress.

(Hear, hear.) Take the city of Toronto, whose assessed value in six years has increased \$42,000,000, and there are very few cities in the United States that can be said to have shown greater relative progress during the same time. Take the city of Montreal. Its assessed value in one single year has increased \$7,500,000, and that increased assessed value represents a largely increased population, a largely increased consuming population, consuming the products of the farmers of the country. (Cheers.) The same progress substantially, though perhaps not absolutely may be said to have characterised all the great centres of Canada. Now, what is

THE CONDITION OF THE FARMERS

at this moment? The hon. gentleman has told us they are in a very desperate condition, that the cost of farm lands has gone down, that the cost of farm produce has gone down; and he proposes to increase the price of farm land and increase the cost of the various products by destroying the manufacturing interests of Canada, by compelling us to resort to direct taxation, by stopping public works of every kind, because that is part of the hon. gentleman's policy; he proposes to increase the value of farm lands and of farm products by doing this, in order that he may obtain reciprocal free trade or rather unrestricted reciprocity with the United States. (Hear, hear.) Now I will take some figures from an authority which can hardly be said to be unfavorable authority at any rate to hon. gentlemen opposite. The figures are given in the report of Mr. Blue. Mr. Blue, as is well known, has developed into somewhat of a politician and he is to-day I believe an ardent advocate of commercial union. Although it is none of my business, and I have no right to interfere with the officer of another Government, I am bound to say that having regard to the fact that he is the statistician of the Government, that he has to give figures and returns on those very important matters to the people of Ontario as a whole irrespective of politics, I think greater confidence might be reposed in him if it were not known—I do not mean to say recollect that he has misstated any figures—but greater confidence would be bestowed upon him if it were not known that he is interested in a movement which will be promoted by showing that the interests of the farmers are failing, and that their profits are disappearing. (Cheers.) But I take his

figures which cannot be regarded as unfavorable figures by hon. gentlemen opposite. Ontario, according to Mr. Blue contains 22,000,000 acres of farm land occupied, of which 10,940,000 are cleared and 8,670,000 woodlands, and acreage in field crops 7,403,000, and in orchards and gardens 186,616, and the remainder occupied by barns, buildings and minor crops. The total acreage of the province in wheat (fall and spring) was 1,464,000 in 1886, and the product that year (it was less last year), was 27,900,000 bushels. The average price of farm land according to Mr. Blue in 1886 was \$29.78 per acre, and that instead of being a reduction of price was actually according to Mr. Blue a gain of 22 cents per acre above the average in the years from 1882 to 1886. That is the statement made by Mr. Blue. The average value of the farm buildings was \$8.44 per acre, and the increase 69 cents per acre over the average of 1882 and 1886. The average value of farming implements was \$2.32 per acre, or 21 cents increase over the average from 1882 to 1886. The value of the live stock was 37 cents per acre above the five years' average. I think that those figures at any rate do not show that the values in the hands of the farmers are decreasing as the hon. member for South Oxford (Sir Richard Cartwright) would have led us to believe in his speech. (Cheers.) We have here a very large increase in farm lands, buildings, stock and agricultural implements. We have on those an average increase of \$1.50 an acre in 1886 over the average of the preceding five years, or an aggregate increase of thirty millions of dollars in the pockets of the farmers of Ontario in 1886 over the average of the previous five years. That is not by any means an evidence of that poverty of which we hear so much from hon. gentlemen opposite. (Cheers.) But they have told us and will probably tell us again, that those

FARMS ARE ALL MORTGAGED,

that the farmers are hopelessly in debt, and that, therefore, on that account they find that the burden of paying the interest on their debt having regard to the prices that they are now getting for their products, is a burden which is intolerable to them although how they are going to get out of that by unrestricted reciprocity I have not yet been able to discover. (Cheers.) I think I will be able to show before I get through that this policy would send them to the wrong market to get relief of that kind. Now there are sixty-five loan and building societies who make reports to the Finance Department of

Canada. The loans represented by these companies who report to the Finance Department represent between \$80,000,000 and \$85,000,000. The value of property from 1880 to 1883, according to those reports, in the Provinces of Canada increased \$32,000,000. The value of mortgages on property increased \$18,000,000. Between 1883 and 1886 the value of property again increased, curiously enough, \$32,000,000, while the value of mortgages on property increased \$12,000,000. In 1880 the default through the non-payment of interest or principal was about eight per cent. of the whole. In 1886 the default was reduced to four seven-tenths per cent., and in 1887 the condition of things was even better. (Hear, hear.) I take two companies as an illustration, because recently they have held their meetings and have made their statements. The Canadian Company held its annual meeting in London, England, since the beginning of the present year. From the report of the remarks of the chairman I take the following:—

"The chairman referred to two facts: first, that the company had reduced their rate of interest 1 per cent. because other companies were offering money at reduced rates, and, secondly, that the proceeds obtained last year (1887) from the sale of land in Canada were 26 per cent. higher than the value in December, 1886."

Those were the actual sales, forced sales, I presume, some of them, as well as sales not forced, but of land falling, as the result of foreclosure, into the hands of the loan company. The North of Scotland Canadian Mortgage company also held its meeting since the beginning of the new year:

"The chairman referred to the falling off in interest received in 1887 on mortgages in Canada. That is explained by the fact that a very considerable number of the mortgages made three or four years ago at a higher rate of interest have fallen in and the money has been lent out at the much less rate of interest current now."

They also report:

"The amount of real estate fallen into the hands of the company through foreclosure was but £8,000 out of £600,000 the company had invested, or only about 1 per cent."

Yet hon. gentlemen, in the face of those facts—facts which ought to be open to them if they were anxious to say something good of the country—tell us that the farmers of Canada have nothing but ruin staring them in the face. (Cheers.) The rate of interest has fallen within the last six years at least 2 per cent., or a saving to the mortgagee in the operation of loan companies of a million and a half of dollars in a year.

(Cheers.) The value of farms has increased, money is cheaper and defaults are 70 per cent. less than five years ago. The savings of the farmers are increasing rapidly, and the loan companies are vying with each other to make loans on farm land. That is the position of things in Canada in relation to the farmers of the country. (Cheers.) Now, hon. gentlemen tell us that the farmers will be better off if they went to the States. Happily for us we have the record of

THE FARMERS IN THE STATES.

They will be, I have no doubt, interesting. I think I can say this, with perfect truth, that on the face of God's earth there are not to-day a body of men, take them on an average, who are as well to do as the farmers of Ontario at the present time. (Cheers.) Now, sir, I take the report for the state of New York, right alongside of us, a wealthy state, with a large urban population and great cities, which can afford immediate markets for the ordinary products of the land. This report is from the Washington Department of Agriculture, and the following reference is made to the farmers in New York. It is an official report made to Congress and it says:

"On the whole, farmers are more in debt than they were ten years ago. There are a large number of farms which were purchased a few years ago and mortgaged which would not now sell for more than the face of the mortgages, owing to the depreciation of the farming lands, which on an average is fully 33 per cent. in ten years. Probably one-third of the farms in the state would not sell for more than the cost of buildings and other improvements owing to this shrinkage."

In the United States generally the value of farm stock is declining in exact proportion to the increase in the number. The statistician of the Washington Bureau of Agriculture says:

"The decline of value in horses, mules and cattle has been in progress for two years. It averages 3 per cent. for horses and mules, 8 per cent. in cattle, 11 per cent. in sheep and 15 per cent. in swine. While numbers have increased, except in sheep, in two years past, the aggregate valuation of farm animals is less by something over \$100,000,000."

(Hear, hear.) During the same two years in the United States there was a decrease in value of farm stock to the above amount, notwithstanding the increase in numbers. Ontario had an increase in the number, excepting sheep and swine, and in the value of live stock on her farms to the amount of \$8,250,000. In the United States it is estimated that in ten states, including such generally reputed wealthy states as Ohio, Indiana, Illinois, Michigan, etc., the total value

of the farm products is \$1,000,000,000, and that one-half of the farms are mortgaged. These produce \$500,000,000 in value; of this \$239,000,000 goes to pay interest, leaving \$261,000,000 to support 886,000 farmers and their families, or \$294 a year. (Hear, hear.) These are the official records published at Washington for the information of the American Government and Congress, and I think they go to show that if the farmers of Canada want to improve their condition, it is not to the United States that they will have to go, because these farmers of Michigan and Illinois have all the advantages of commercial union and unrestricted reciprocity—all the advantages which hon. gentlemen opposite promise to the people of Canada if they will only accept their panacea for the ills under which we are laboring. (Cheers.) Now, what is

THE CONDITION OF THE FARMERS OF CANADA?

I take the statement of Prof. Wm. Brown, of the Ontario Agricultural college, an institution under the control of the local Government of Ontario. He says:—

"The average farmer of the province of Ontario is doing well, is actually making money. He has by his own admission to our statistical department during the past five years been receiving a total crop value of \$1,925, say \$2,000 from all sources; that is the first proof and admission doubted by no one."

(Cheers.) So that I think, Mr. Speaker, in the face of these facts and figures, which are official on both sides of the line—from the officers of the Ontario Government, so far as Ontario is concerned, and from the officers of the American Government, so far as the United States is concerned—we may fairly say that the farmers of Canada find nothing to envy in the position of their neighbors on the other side of the line. (Cheers.)

An hon. member—Why do they go there then?

Mr. White (Cardwell)—Now, sir, I will give the hon. gentleman an extract from a newspaper from which I have already quoted, I think the leading newspaper in the Western States, the Chicago Times, in regard to the condition of the farmers in those States:

"Farm mortgages are swallowing up millions of acres of land in Southern and Western States and Territories. The syndicate that loan money at from 1 to 3 per cent. per month are mainly made up of Scotch, English and New England capitalists, who have their agents throughout the South and West. These mortgages are falling due, and soon an immense number of Southern and Western farms will be in the hands of foreign mortgagees. It is said that \$200,000,000 has been loaned on farm mortgages in the southwest; in Kansas \$20,000,000, and nearly as much in Nebraska.

The territories are covered with mortgages on new farms not yet patented. In some of them the law has permitted outrageous interest, so that the farm mortgage business has grown into immense proportions. In many land districts half of the settlers borrow money at high interest to pay the small price required by the Government on proving up. This is leading to widespread disaster. The object of the pre-emption law is perverted. Eastern and foreign capitalists get the land with such improvements as the settler has put upon it. The settler loses all by reason of the exorbitant interest he is compelled to pay."

WHY FARMERS HAVE GONE TO THE STATES.

An hon. gentleman on the other side asks me why farmers leave Canada to go to the Western States. One reason is precisely such speeches as we have heard to-night. (Cheers.) The farmers of Canada, listening to the statements of the hon. gentleman, who speaks as an ex-Minister of Finance, and whose statements the public have a right to assume, at any rate, ought to be taken as exact, finding that their condition is bad, and that in the United States everything is *couleur de rose*, have gone, many of them, to the United States. But I know what is going on in Dakota to-day, and I tell the hon. gentlemen that as they have been compelled to realise that time has been their great enemy in the past, so they will find in the future that Canadians who have been entrapped into going to Dakota by statements made by hon. gentlemen opposite, are now beginning to come back to Canada, so that at this moment the movement of population, instead of being from the north to the south is from the south to the north.

Sir Richard Cartwright—Tell us about Canadians who invest in Texas ranches.

Mr. White (Cardwell)—If the hon. gentleman desires to insult any members of this house, perhaps if enquiries were made into some of his own investments—

Sir Richard Cartwright—I have made no investments in the United States.

THE QUESTIONS OF THE EXODUS.

Mr. White (Cardwell)—We are told of this enormous passage of population from Canada to the United States. It is quite true there are Canadians in the United States, just as it is quite true that there are Americans in Canada. It is quite true that in Canada, as in the Eastern states, there has been a movement of population westward. Up to quite recently we had no Northwest of our own where those people could go to. They are beginning to go there now. We have in this house to-day representatives from those Territories, who, I venture to say, will give the hon. gentleman his answer

with regard to them, probably before this debate is ended. But what is the fact with regard to the movement of population? I take the New England States of Massachusetts, Rhode Island, Vermont, New Hampshire, Connecticut and Maine, and what do we find? That in fifty years the increase in population of those states has been 2,056,309; that is from 1,953,717 to a little over 4,000,000, while in Ontario, Quebec, New Brunswick, Nova Scotia and Prince Edward Island during the same period the population has increased from 1,065,215 to 4,142,951, or an increase of 3,087,736. Canada, which started fifty years ago with a population of 1,000,000 less than that of the New England States, which, I think, hon. gentlemen will admit with me stand relatively under very much the same conditions as we do, finds itself at the end of the fifty years with a population of 140,000 more than they. (Cheers.) Yet hon. gentlemen opposite contend that the people of this country are leaving because they cannot make a living.

FARMERS' PRICES IN CANADA AND THE STATES.

Now there is another question, and that is the question of the prices which are paid for products in the two countries. Mr. Wiman, as I have said before, did my constituency the honor of visiting it on the 1st July last, and making his first speech there on commercial union in Canada. I regret very much I was not able to be present, not for the purpose of replying to him, but of joining with my constituents in extending to Mr. Wiman and the distinguished American who accompanied him a courteous welcome to the county. In that speech Mr. Wiman, speaking to the farmers, made some statements, of which we have heard the like to-night from the hon. member for South Oxford. He told the farmers of Cardwell that he knew a good many people in the city of New York, who live at the magnificent rate of millionaires and to whom the question of what they pay for the articles they put on their tables was a matter of no consequence. For "broilers," he said, a term which I find a good many people knew nothing about, for broilers they would pay three dollars a pair and for the finest class of butter 60 cents a pound, and so on with a number of articles, leaving the impression upon the minds of the people he was addressing that if they had only commercial union, they would find themselves supplying broilers to the tables of millionaires and also supplying fancy articles of butter. (Laughter and cheers.)

We have had statements of that kind to-night from the hon. member for South Oxford. Were they fair statements? Did he take the trouble before making them, to examine the prices of ordinary articles of the farm in the towns of the United States and Canada and make a comparison? I do not think he did. Now what is the fact. After reading Mr. Wiman's speech I had the curiosity to compare the markets on the first of July of Albany and Toronto with each other; and curiously enough, as to the majority of these ordinary articles, the price was higher in Toronto, although the farmers of Albany and the surrounding district were in much closer proximity to the wealthy millionaires upon whose tables broilers, etc., were used, than were the farmers of Toronto. (Cheers.) On the 9th of this month, taking the prices of ordinary articles upon the market of Buffalo and Toronto, I find they compare as follows:—

	TORONTO.		BUFFALO.	
	\$ c.	\$ c.	\$ c.	\$ c.
Oats, per bush	0 44	to 0 45	0 39	to 0 40
Hay, per ton	14 00	to 16 00	12 00	to 14 00
Potatoes, per bag	1 00	to 1 10	0 85	to 0 90
Butter, choice, per lb.	0 20	to 0 21	0 23	to 0 24
Butter, fair to good, per lb.	0 15	to 0 18	0 15	to 0 20
Turkeys, per lb.	0 12	to 0 13	0 10	to 0 12
	TORONTO.		BUFFALO.	
	\$ c.	\$ c.	\$ c.	\$ c.
Chickens, per lb.	0 12	to 0 13	0 10	to 0 12
Geese, per lb.	0 10	to 0 10½	0 07	to 0 10
Apples, per bri	1 75	to 2 80	1 25	to 2 50
Onions, per bag	1 50	to 2 00	1 25	to 1 50
Turnips, do.	0 40	to 0 50	0 40	to 0 50
Carrots, do.	0 50	to 0 80	0 55	to 0 85

So that hon. gentlemen will see that in relation to these ordinary articles which the farmers produce and carry to the markets of Buffalo on the one side and to Toronto on the other, the farmer in the vicinity of Toronto is better off on the whole, although the farmer in the vicinity of Buffalo has unrestricted reciprocity with the other parts of the American Union, although he has in fact commercial union. How do the prices in Toronto and Milwaukee compare? I have not examined the figures myself, but have taken them from the New York *Witness*, which, I presume, is a good authority. They compare as follows:—

	Toronto.		Milwaukee.	
	\$	¢	\$	¢
Wheat	\$0 73	to \$0 83½	\$0 60	to \$0 70
Oats	0 45	to 0 47	0 32	to 0 33
Barley	0 70	to 0 82	0 60	to 0 63
Live hogs	5 00	to 5 50	4 50	to 4 60
Cattle	2 50	to 4 50	2 50	to 4 00
Eggs	0 22	to 0 30	0 17	to 0 18
Butter	0 18	to 0 25	0 18	to 0 20

These are simply the ordinary market prices paid directly to the farmer, showing one reason, I fancy, why the official statistician for the Province of Ontario can report a so much more favorable condition of affairs to farmers of that province than the official statistics of the United States can record with reference to the farmers of the latter. (Cheers.) I will not detain the house longer. As I said in commencing, the people of this country have always been and are still ready to enter into the freest commercial relations with our neighbors, consistent with the great policy of developing our own industries. I protest against the character of speeches such as that to which we have listened to-night. If hon. gentlemen opposite have sat on that side for ten years, they owe that fact chiefly to just such speeches as the one we have just heard from the honorable member for South Oxford. (Cheers.) They mistake the temper of the people of Canada; they mistake the temper of the electors of this country, if they imagine that those electors will tolerate this perpetual depreciation of the country itself; and I cannot in this sense do better than to offer as a heritage to hon. gentlemen opposite and through them to the country, the words of a former leader of the Liberal party, a great leader, who, whatever difference of opinion may have existed as to his methods and opinions upon some questions, was, at least, a sincere and devoted Canadian and loyalist—I allude to the late Hon. George Brown. I cannot do better, in concluding my remarks, than quote his words:

A heritage, it seems to me,
Well worth our while to hold in fee.

"Neither politically nor commercially does Canada need to change her position to secure a high degree of prosperity. In all that conduces to personal comfort and happiness, in the steady development of home and foreign trade, in the extension of public enterprise, in the flourishing condition of our farmers and in the unlimited scope for the employment of a vast population, Canada has all that a nation can desire."

Mr. White resumed his seat amid long and continued applause.

Milwaukee.

\$0 80 to \$0 70
0 32 to 0 33
0 40 to 0 63
4 00 to 4 60
2 50 to 4 00
0 17 to 0 18
0 18 to 0 20

market prices
showing one rea-
statistician for
n report a so
on of affairs to
an the official
tes can record
s of the latter.
e house longer.
people of this
d are still ready
ercial relations
t with the great
n industries. I
ter of speeches
re listened to-
posi o have sat
y owe that fact
as as the one
the honorable
(Cheers.) They
ple of Canada;
the electors of
ne that those
rptual depre-
; and I cannot
to offer as a
opposite and
the words of a
party, a great
ce of opinion
methods and
s, was, at least,
an and loyal-
George Brown.
uding my re-

old in fee.
mercially does
tion to secure
n all that con-
happiness, in
me and foreign
blic enterprise,
ur farmers and
employment of
as all that a

amid long and